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C O N F I D E N T I A L SECTION 01 OF 03 KUALA LUMPUR 000229

SIPDIS

FOR EAP/MTS AND DRL

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TAGS: [PGOV](#) [PHUM](#) [PTNS](#) [PINR](#) [KDEM](#) [MY](#)

SUBJECT: NAJIB CLOSING MALAYSIA'S DEMOCRATIC SPACE?

REF: A. KL 199 - GOM PROSECUTES OPPOSITION LEADER

[1B](#). KL 194 - ANWAR IN DOLDRUMS

[1C](#). KL 78 - NAJIB LEADS TAKEOVER OF PERAK

[1D](#). 08 KL 563 - ANWAR ON OFFENSIVE

[1E](#). 08 KL 160 - ELECTION SHOCK

Classified By: Political Counselor Mark D. Clark for reasons 1.4 (b and d).

Summary and Comment

[11](#). (C) Malaysia's Home Ministry on March 23 banned two opposition party newspapers for a period of three months, a decision that came one day before the general assembly and elections for the ruling United Malays National Organization (UMNO) party. The GOM suspended the newspapers for violating restrictions attached to their printing licenses. The newspapers' suspension will hamper the opposition's ability to disseminate information in advance of upcoming politically important by-elections on April 7. Opposition voices, including Anwar Ibrahim, and journalists have pointed to the banning of the newspapers, coupled with recent police disruption of opposition political rallies, sedition charges against a veteran opposition leader, corruption probes targeting opposition leaders and other measures, as mounting evidence that incoming Prime Minister Najib Razak will return Malaysia to the more authoritarian days of Mahathir. Others have told us the GOM's tough actions had more to do with politicking before the UMNO election.

[12](#). (C) Comment: Many observers and journalists are directly linking the recent democratic reversals to the transition of power from outgoing Prime Minister Abdullah Badawi to Najib. This fits well with the opposition's consistent portrayal of Najib as a Mahathir-like figure far more likely than Abdullah to reassert and exercise UMNO's near-monopoly of state power to shut down opponents. While highly influential behind the scenes, Najib, however, is not yet in formal control of the government and therefore can assert some public distance from these actions. Intense UMNO politicking prior to the party's elections clearly has been a factor in decisions by some officials such as Home Minister Syed Hamid. Regardless, the government's actions reveal a level of insecurity within an unreformed UMNO that admits publicly and privately that it faces an erosion of public support. Najib, who will be sworn in as Prime Minister on or about April 3, soon will have the opportunity to demonstrate whether his administration will restrict or preserve the democratic space that tenuously increased in 2008. The debate over Najib's intentions is another poignant reminder that Malaysia's democratic space, while reflecting a shift in public expectations, does not yet rest on any legal or institutional reforms, but rather on the proclivities of the incoming Prime Minister and the ruling UMNO party. End Summary and Comment.

GOM Shuts Down Opposition and Critics

¶3. (SBU) The Home Ministry suspended Harakah and Suara Keadilan, the official papers of opposition Islamic Party of Malaysia (PAS) and People's Justice Party (PKR) respectively for three months on March 23, the eve of UMNO's party elections. Home Minister Syed Hamid claimed the newspapers violated the conditions of their publishing permit by printing defamatory and "sensationalized news." (Note: The GOM imposed conditions for the licenses include limiting selling the papers to party members and confining the article to party activities. End Note.) The suspensions took effect on the eve of UMNO's party elections. Opposition leaders quickly pointed out the suspensions severely undermined their ability to disseminate information to voters in three April 7 by-elections, which the opposition is portraying as referendums on Najib's leadership. A few hours after the papers' suspension, riot police used tear gas and water cannons to disrupt an opposition rally on the upcoming by-election in Kedah. The following night, March 24, Police in Perak disrupted an opposition rally on the upcoming by-election in Perak. Both rallies featured opposition leader Anwar Ibrahim. Police justified their actions based on the lack of permits for the public gatherings. On March 23, UMNO party officials denied local online news portals, who are often but not universally critical of the government, press passes to cover UMNO's general assembly and party elections held March 24-28.

¶4. (SBU) The bans on the opposition newspapers were the latest in a series of more aggressive GOM actions against opposition leaders and government critics. In conjunction

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with the Najib-led takeover of Perak in February, police banned political rallies in the state and authorities initiated various legal actions against opposition leaders who have refused to concede. On March 15, the GOM began prosecution of Democratic Action Party (DAP) Chairman Karpal Singh for sedition related to his comments critical of the Sultan of Perak's support for the National Front takeover of the Perak State government in February (refs A and C). This coincided with the criminal prosecution of eight bloggers, who also were highly critical of the Sultan. On March 16, Gobind Singh Deo, Karpal's son and MP, was suspended from Parliament for 12 months after he called Najib a "murderer," a reference to the killing of Mongolian national Altantuya. The newly formed Malaysian Anti-Corruption Commission (MACC), in violation of its own procedures, publicly announced probes into opposition politicians including the Selangor state Chief Minister and the former Chief Minister of Perak. Selangor state officials revealed documents allegedly showing National Front (BN) plans to undermine and take over Selangor state.

Najib's speaks of reform

¶5. (SBU) In contrast to what has played out on the ground, Najib publicly has continued to emphasize the need for UMNO and the government to eschew old policies and instead launch reforms to regain public trust and shed the image of "arrogance." Najib made reform a major theme in his pre-election interviews and during the UMNO general assembly (septel). The reform theme is likely to be prominent in his first speech as UMNO president on March 28. On March 17, Najib said his administration would be committed to the principles of "openness, transparency, and telling the people the truth." When UMNO officials denied six local online news portals media credentials, Najib stated, "we should embrace the new media." However, UMNO did not remove the ban.

Two Interpretations of GOM Actions

¶6. (C) Former Minister and former UMNO official Zaid Ibrahim

on March 18 issued a public statement calling on the King not to confirm Najib as Prime Minister because of Najib's questionable integrity and personal character, including unresolved questions of his links to corruption and the Altantuya murder case. Speaking with Ambassador Keith on March 19, Zaid said he felt genuinely concerned for the country under Najib's leadership. Zaid Ibrahim, who has announced he will soon join an opposition party, claimed Najib would play rough and described Najib's resistance to any serious challenge to UMNO's dominance as the greatest threat to democracy in Malaysia. Speaking separately with poloff, PKR Information Chief Tian Chua offered a very similar view. Tian argued that Najib and UMNO are extremely "insecure" and therefore had to resort to highhanded tactics to remain in power. Tian Chua claimed the suspensions of the newspapers were just the beginning and that opposition parties needed brace themselves for "more crackdowns" in the future.

¶7. (C) Other Embassy contacts placed the ban on two opposition newspapers in the context of the UMNO election race. Deputy Home Minister Chor Chee Heung (protect) told us privately the suspensions were not part of a bigger crackdown, but suggested the action against the two newspapers was associated with the UMNO party election.

(Note: Home Minister Syed Hamid unsuccessfully ran for one of the three UMNO Vice President posts. End Note.) PAS Information Chief Mahfouz Omar echoed Heung's statements, telling poloff Minister Syed Hamid wanted to be seen as a "champion in the eyes of the UMNO delegates" during the UMNO party election. Suspending the increasingly popular political newspapers was a way to advance his Vice President candidacy, Mahfouz contended.

¶8. (C) Embassy press officer and poloffs queried media contacts regarding the political papers' suspensions. Although the replies were often guarded, the general consensus supported the view that it would be difficult for Najib to make a full return to Mahathir-era heavy-handed tactics to muzzle the media. One journalist described the suspensions as a "dirty trick" and part of the politicking for the just concluded UMNO elections. Senior journalists from the prominent Malaysia Insider news portal told us they expected to have significantly less latitude to report criticism of the government within the coming year. Generally, however, our mainstream journalist contacts adopted a "wait-and-see" attitude on Najib's posture toward

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further press restrictions.
KEITH